VZCZCXRO7263 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #5637 3550230 ZNR UUUUU ZZH P 210230Z DEC 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 0515 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/USFJ PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 5112 RUEHNH/AMCONSUL NAHA 7508 RUEHNAG/AMCONSUL NAGOYA 3816 RUEHKSO/AMCONSUL SAPPORO 5749 RUEHOK/AMCONSUL OSAKA KOBE 8777 RUEHBJ/AMEMBASSY BEIJING 0776 RUEHMO/AMEMBASSY MOSCOW 2028 RUEHUL/AMEMBASSY SEOUL 6835 RUCNDT/USMISSION USUN NEW YORK 7531 RHEHAAA/NSC WASHDC

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STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

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TAGS: <u>OIIP KMDR KPAO</u> <u>JA</u>
SUBJECT: TOKYO MEDIA REACTION - U.S.-JAPAN MISSILE
DEFENSE COOPERATION

LEAD STORIES: Top stories on Friday morning include the Finance Ministry's proposal of a state budget for fiscal 2008 totaling about 86 trillion yen.

11. "U.S.-Japan Coordination Important for Effective MD operation" The top-circulation, moderate Yomiuri editorialized (12/21): "Missile defense is not perfect. Properly speaking, there are two types of military deterrence: deterrence via the possibility of a retaliatory strike, and deterrence by neutralizing or weakening the enemy's attack capabilities. MD's deterrence by denial will be most effective in combination with the deterrence of retaliation by the  $\ensuremath{\text{U.S.}}$  military. In this sense, the importance of deterrence by the U.S. military remains unchanged. Close coordination between the U.S. and Japan is critical for the effective operation of the MD system, given that Japan needs to rely on U.S. spy and earlywarning satellites to confirm signs of an imminent ballistic missile launch. Communications and data transmission were reportedly insufficient between the U.S. and Japan and between the MSDF and ASDF when North Korea launched several ballistic missiles in July 2006. The U.S. military is already deploying several Aegis ships equipped with the SM-3 system in Japan while concurrently placing PAC-3 missile launchers at Kadena AB. Arrangements must be worked out for a division of labor and information-sharing between the SDF and U.S. forces through joint training.